



Regulador y Supervisor Financiero de Chile

Chile Day Toronto Financial Innovation and New Opportunities in Chile: Fintech and sustainable finance

Solange Berstein Jauregui
Chair
Financial Markets Commission

June 2023

The Financial Market Commission, Chile's integrated supervisor



- The CMF oversees over 78% of the financial market's assets, totaling \$543 billion (2.1 times Chile's GDP) in 2022
- Robust and autonomous governance structure (board, confirmed by senate)
- Close coordination with other entities that share the same goals as the Central Bank in the case of Financial Stability and Ministry of Finance on market development, among others

About the implementation of Fintech Law

February 2023: Fintech Law enters into force

- Nearly 70 topics that require regulations in 18 months
- Includes Fintech services in CMF Regulatory perimeter
- Establishes an Open Finance Framework
- Inclusive and parametric insurance
- Crypto assets are explicitly mentioned in the Law
- Includes proportionality considerations

Challenges highlighted in workshops:

- Perimeter definitions
- Cross border issues
- Application of proportionality
- Multi service and complementarity
- Suitability assessment for clients

March 2023: Open and transparent consultative process

- Email contact available for questions and comments
- More than 1.400 expressions of interest in registering for Fintech workshops to discuss regulatory challenges
- More than 30 workshops on different topics are taking place

CMF is also adapting its structure, processes and capacities to implement the law. Includes:

- CMF Innovation Hub
- International benchmarking.
- Acknowledge the broad and diverse Fintech ecosystem in Chile

October 2023: Regulatory drafts for public consultation

- Corporate governance and risk management
- Prudential requirements.
- Conflicts of interest.
- Fit-and-proper requirements.
- Periodic and public Information.
- Framework for Open Finance System on a second stage.

March 2023: First Annual Reports under General Rule 461, a complete revamp of disclosure requirements

286

Total number of issuers in 2023

70

Number of issuers required to comply with GR 461 in 2023

81

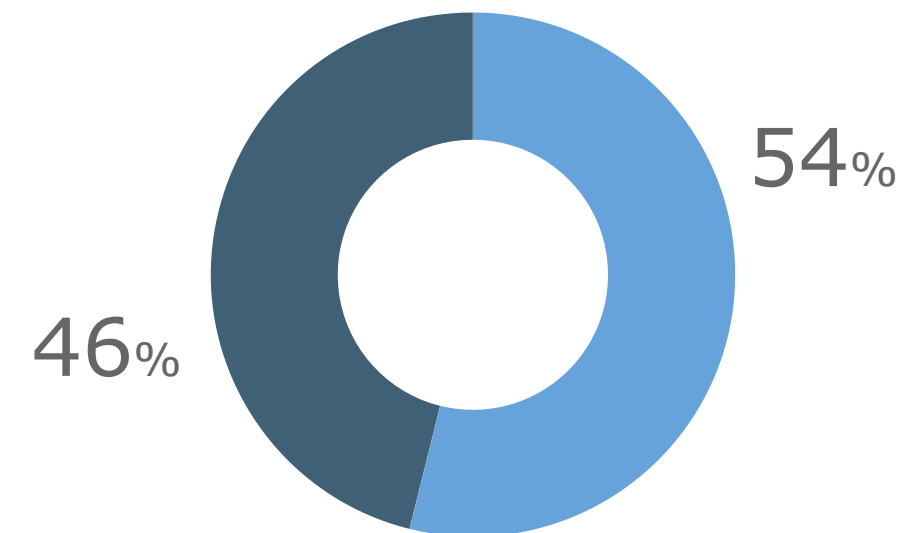
Number of already reported
In line with 461 standards
in 2023

24.5%

Percentage of the total number of issuers required to report NCG 461

- Requires firms to disclose an integrated annual report including sustainability-related information
- It is broadly aligned with international standards such as Integrated Reporting, TCFD and some sections of GRI and made SASB Standards disclosures compulsory
- CMF joined the JWG of ISSB to work on implementation of new reporting standards published this week
- Taxonomy is also being addressed in Chile led by Ministry of Finance

The assets of the reporting entities 2023 represent 54% of the total assets of the issuers of securities





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